

Harvey R. Miller
Stephen Karotkin
Joseph H. Smolinsky
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Motors Liquidation
Company GUC Trust

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
	:	
In re	:	Chapter 11 Case No.
	:	
MOTORS LIQUIDATION COMPANY, <i>et al.</i>,	:	09-50026 (REG)
f/k/a General Motors Corp., <i>et al.</i>	:	
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X		

**MOTORS LIQUIDATION COMPANY GUC TRUST’S REPLY TO
RESPONSE OF SHARYL Y. CARTER OPPOSING DEBTORS’ OBJECTION
TO PROOF OF CLAIM NOS. 00136, 00552, 07020, 09072, 14901, 19246, AND 19247**

TO THE HONORABLE ROBERT E. GERBER,
UNITED STATES BANKRUPTCY JUDGE:

The Motors Liquidation Company GUC Trust (the “**GUC Trust**”), formed by the
above-captioned debtors (collectively, the “**Debtors**”)¹ in connection with the Debtors’ Second
Amended Joint Chapter 11 Plan, dated March 18, 2011 (as may be amended, supplemented, or
modified from time to time, the “**Plan**”), respectfully represents:

¹ The Debtors are Motors Liquidation Company (f/k/a General Motors Corporation) (“**MLC**”), MLCS, LLC (f/k/a Saturn, LLC), MLCS Distribution Corporation (f/k/a Saturn Distribution Corporation), MLC of Harlem, Inc. (f/k/a Chevrolet-Saturn of Harlem, Inc.), Remediation and Liability Management Company, Inc. (“**REALM**”), and Environmental Corporate Remediation Company, Inc. (“**ENCORE**”).

Preliminary Statement

1. After reviewing the Responses (as hereinafter defined) filed by Sharyl L. Carter (“**Ms. Carter**”), the GUC Trust reiterates the Debtors’ position in the Objection (as hereinafter defined)² that Ms. Carter has failed to provide any legal or factual support for the Carter Claims (as hereinafter defined) and the Carter Claims should be disallowed and expunged. The GUC Trust also reiterates the Debtors’ alternative position in the Objection that, at a minimum, Proof of Claim Nos. 00552, 07020, 09072, 14901, 19246, and 19247 (collectively, the “**Duplicate Claims**”) should be disallowed and expunged because each was filed subsequent to, and is duplicative of, Proof of Claim No. 00136 (the “**Original Claim**”).

Background

2. On February 4, 2011, the Debtors filed an objection (the “**Objection**”) (ECF No. 9096) pursuant to section 502(b) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 3007(d) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and this Court’s order establishing the deadline for filing proofs of claim against MLC and certain other Debtors and the procedures relating to the filing of proofs of claim (the “**Bar Date Order**”) (ECF No. 4079) seeking entry of an order disallowing and expunging Proof of Claim Nos. 00136, 00552, 07020, 09072, 14901, 19246, and 19247 (collectively, the “**Carter Claims**”) filed by Ms. Carter.

3. On February 17, 2011, Ms. Carter filed two responses to the Objection (the “**Responses**”) an initial response (the “**First Response**”) (ECF No. 9435) and a second response (the “**Second Response**”) (ECF No. 9437); asserting that her claims should not be

² While the Objection was filed by the Debtors, this Reply is being filed by the GUC Trust because, pursuant to the Plan, the GUC Trust now has the exclusive authority to prosecute and resolve objections to Disputed General Unsecured Claims (as defined in the Plan).

disallowed and expunged. Neither of the Responses set forth any legal or factual basis upon which the Carter Claims might be based. A hearing to address Ms. Carter's Responses has been scheduled for April 26, 2011 at 9:45 a.m. (Eastern Time).

**The Carter Claims Should Be Disallowed for
Failure to Allege Sufficient Facts to Support a Claim**

4. Despite Ms. Carter's representation that she "set forth the legal and factual basis [of the Carter Claims] to the best of her ability," (First Response at 5), she has failed to assert any factual allegations or legal argument that could support the Carter Claims. Ms. Carter appears to suggest that the mere fact that the Carter Claims "end[ed] up in this Courts [sic]" provides sufficient and "adequate information to substantiate a claim." (*Id.* at 7.) Ms. Carter's argument, however, puts the proverbial cart before the horse. The fact that the Carter Claims exist in these chapter 11 cases evidences only that Ms. Carter filed the proof of claim forms underlying each of the Carter Claims. In no way can the mere filing of the Carter Claims (which fail to even assert the most simple factual allegations that would be required for the GUC Trust to ascertain the nature and validity of the Carter Claims) serve as "adequate information to substantiate a claim," as Ms. Carter argues.

5. In support of her assertion that she has valid claims against the Debtors' estates, Ms. Carter rhetorically asks, "why did the Debtors attorneys contacted [sic] me, by phone, and mailing all documents asking what prices I wanted to settle with, if the Debtors do not think I have any claims against them." (*Id.* at 6.) Moreover, she asserts that she "was given 2 small settlements" by the Debtors. (*Id.* at 7-8.) To be clear, neither the Debtors nor the GUC Trust have ever offered to settle the Carter Claims, and any assertion to the contrary is mistaken. Rather, the settlement referred to by Ms. Carter was likely with the debtors in the unrelated chapter 11 cases of Delphi Corporation. Here, at no time have the Debtors or the GUC Trust

settled any of the Carter Claims, and the GUC Trust is currently seeking the disallowance and expungement of all of the Carter Claims.

6. The Responses fail to shed any light on Ms. Carter's factual or legal basis for the Carter Claims. The GUC Trust reiterates that Ms. Carter has not provided any legal or factual support for the Carter Claims and cannot be afforded prima facie validity under the Bankruptcy Code. Moreover, Ms. Carter has not complied with the Bar Date Order because she has failed to meet the threshold requirement of providing even the most basic information regarding the basis of the Carter Claims. Accordingly, the Carter Claims should be disallowed and expunged in their entirety.

**In the Alternative, the Duplicate
Claims Should Be Disallowed and Expunged**

7. Ms. Carter argues that the Duplicate Claims should not be disallowed and expunged because any "duplicate claims . . . was not [her] fault" but instead the fault of "the Debtors and their affiliated Debtors and their attorneys, employees who handled the Proof of Claims." (First Response at 5.) Respectfully, Ms. Carter's argument is unfounded. Whether or not the Duplicate Claims are the result of multiple filings on the part of Ms. Carter, or rather, the inadvertent duplication of such claims by the Debtors' claims agent, Ms. Carter has steadfastly refused to withdraw any of the Duplicate Claims after having been contacted by Debtors' counsel.

8. The GUC Trust reiterates the alternative position taken in the Objection and asserts that the Duplicate Claims should be disallowed and expunged in order to avoid the possibility of multiple recoveries by Ms. Carter.

Conclusion

WHEREFORE, for the reasons set forth above, the GUC Trust respectfully requests that the Court disallow and expunge the Carter Claims and grant such other and further relief as is just.

Dated: New York, New York
April 21, 2011

/s/ Joseph H. Smolinsky

Harvey R. Miller

Stephen Karotkin

Joseph H. Smolinsky

WEIL, GOTSHAL & MANGES LLP

767 Fifth Avenue

New York, New York 10153

Telephone: (212) 310-8000

Facsimile: (212) 310-8007

Attorneys for Motors Liquidation
Company GUC Trust